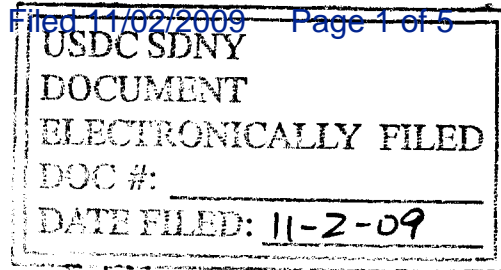


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



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IN RE REFCO SECURITIES LITIGATION

07 MDL 1902 (JSR)
(Applies To All Cases)
CASE MANAGEMENT ORDER #3

JED S. RAKOFF, U.S.D.J.

This Order confirms (and, to the extent necessary, elaborates) the rulings made from the bench at the in-court conference held on October 30, 2009. See tr., 10/30/09.

Given the complexity of the matters encompassed in this sprawling litigation and the unavailability of the assigned Magistrate Judge to give them prompt attention, the Court hereby appoints Professor Daniel Capra and the Honorable Ronald Hedges to serve as Special Masters with powers equivalent to those of a Magistrate Judge. The Clerk of the Court is hereby directed to docket any orders signed by either Special Master. The Court will also informally interact with the Special Masters as it deems appropriate.

Judge Hedges is recused from matters in which Credit Suisse is a party. Professor Capra, who will be paid at the rate of \$500/hour plus expenses, will primarily handle the substantive motions and any Credit Suisse matters, and Judge Hedges, who will be paid at the rate of \$400/hour plus expenses, will primarily handle any other matters,

including case management, discovery, and non-substantive motions. Nonetheless, with the exception of the aforementioned recusal, both Special Masters are fully authorized to handle any and all matters within the purview of a Special Master and may allocate matters between them as they see fit. The Special Masters may each hire an associate attorney to assist them at a rate not exceeding \$300/hour plus expenses. The Special Masters are also authorized to receive and examine unredacted copies of papers that have been or hereafter are filed under seal or in redacted form.

The Special Masters will issue Reports and Recommendations on any substantive motions, which will be reviewed by the Court de novo. Any party wishing to object to a Report and Recommendation must file such objection no later than ten calendar days after the date on which the Report is filed and furnish a courtesy copy of the filing directly to the Court. Any party wishing to respond to any such objections must file the response no later than ten calendar days from the date on which the objection is filed and furnish a courtesy copy of the filing directly to the Court. If the tenth day for either the objection or the response falls on a nonbusiness day, the objection or response must be filed no later than the next business day.

A party seeking to appeal from any non-substantive ruling by a Special Master may do so by calling the Court, jointly with all affected parties, in accordance with the Court's Individual Rules,

which also govern any emergency applications to the Court. The standard for review of a Special Master's ruling on a non-substantive matter is abuse of discretion, and counsel should therefore be careful not to appeal improvidently from a non-substantive ruling.

The Court notes that plaintiffs' counsel in all matters except the insurance cases have organized a Plaintiffs' Coordinating Committee, which the Court hereby approves. The Court directs a representative of that committee to file a list of the committee's members with the Court by no later than November 6, 2009. The Court also directs defense counsel to form a comparable Defendants' Coordinating Committee and to file a list of that committee's members by no later than November 6, 2009. If there is a dispute as to the composition of that committee, the parties to the dispute must inform the Court in writing of the substance of the dispute by November 6, 2009, in which case the Court will resolve such dispute in writing by November 9, 2009. Counsel for the insurance companies are given the option of forming a separate Insurers' Coordinating Committee, provided they file a list of that committee's members by November 6, 2009.

Following formation of these committees, the committees will confer and arrange for a proposed allocation of payment of the Special Masters' fees and expenses between themselves and among their respective group's parties. (The Securities and Exchange Commission is excused from any such allocation or contribution until December 31,

2009.) If any party disputes its individual allocation as decided by the corresponding committee, the committee and the affected party should submit their dispute, in writing, to the Court by November 13, 2009. The Court will resolve any such dispute in writing by November 16, 2009.

The Court will arrange for the creation of an account to be administered by a third-party certified public accountant. By November 20, 2009, the Court will issue an Order specifying the details of that account and its administration and will also provide a minimum balance that must be kept in the account and replenished each month. The committees will arrange for the requisite initial funds to be deposited in the account by December 1, 2009. No later than one week after the end of each month, the Special Masters will file their bills for that prior month's services, and any party must file any objection within five calendar days after such filing.

The Court will hold regular in-court status conferences every two months on the second Wednesday of the month. Any party wishing to raise an issue at the conference must inform a Special Master in writing of such issue by no later than ten calendar days prior to the date of the conference. After consultation with the Court, the Special Masters will file the agenda for each new conference no later than five calendar days before the conference. Barring emergencies, only matters on the agenda will be considered at the conference to which the agenda relates, and consequently counsel for parties not

affected by any matter on the agenda are not required to attend. The next conference is scheduled for Wednesday, January 13, 2010 at 4:00 PM.

In actions in which the Government has sought to postpone the depositions of so-called "cooperator" or "embargoed" witnesses, all depositions of such witnesses must be completed no later than December 15, 2009. Should the Government wish to be heard with respect to this ruling, however, it must do so by application no later than November 6, 2009. Such application will be heard by Judge Hedges in the first instance, but Judge Hedges will consult with the Court before issuing his ruling on this issue.

Finally, the parties, through their committees, and in consultation with the Special Masters, will make arrangements to keep all parties aware of the schedule of proceedings before the Special Masters, so that no party will be deprived of fair notice or an opportunity to be heard on any issue that affects such party.

SO ORDERED.

A handwritten signature in black ink, appearing to read 'J. S. Rakoff', is written over a horizontal line.

JED S. RAKOFF, U.S.D.J.

Dated: New York, New York
November 2, 2009